Federal Communications Commission 445 12<sup>th</sup> St., S.W. Washington, D.C. 20554

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DA 10-151

Released: January 27, 2010

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF GANOCO, INC. D/B/A AMERICAN DIAL TONE TO GANOCO ACQUISITION GROUP, LLC

## STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 10-9

Comments Due: February 10, 2010

Reply Comments Due: February 17, 2010

On December 21, 2009, Ganoco, Inc. d/b/a American Dial Tone (American Dial Tone) and Ganoco Acquisition Group, LLC (Ganoco Acquisition Group) (together, Applicants) filed an application pursuant to section 63.03 of the Commission's rules to transfer control of American Dial Tone to Ganoco Acquisition Group. Applicants closed this transaction on or about September 30, 2009 without approval. Ganoco, a Florida corporation, currently provides resold competitive local exchange (LEC) and interexchange services in Alabama, Florida, Kentucky, Tennessee, and Texas. It is also authorized to provide these services in Montana. Prior to the transaction, Ganoco was owned by Stephen Klein (80 percent) and Larry Wright (20 percent), both U.S. citizens.

Ganoco Acquisition Group, a Delaware limited liability company, does not currently provide telecommunications services and was formed to purchase American Dial Tone and consolidate it with other competitive LECs. Ganoco Acquisition Group is owned by Associated Telecom Management Services, LLC, a Delaware limited liability company, that is, in turn, wholly owned by Thomas Biddix, a U.S. citizen. Applicants state that no other entity holds a direct or indirect interest in Ganoco Acquisition Group.<sup>2</sup> Pursuant to the terms of the proposed transaction, Ganoco Acquisition Group purchased 100

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<sup>&</sup>lt;sup>1</sup> 47 C.F.R § 63.03; *see* 47 U.S.C. § 214. Applicants filed supplements to their domestic section 214 application on January 11 and 26, 2010. Because this transaction was consummated without prior Commission approval, Applicants separately filed a request for Special Temporary Authority (STA). Applicants state that the delay in requesting consent for the transfer of control at issue occurred because they were unaware of their domestic section 214 application and approval obligations at the time the transaction was consummated. Applicants further state that they filed the STA and application to correct the deficiency and to ensure that their customers will continue to receive uninterrupted service. On January 26, 2010, the Wireline Competition Bureau granted the STA for the domestic authorization for a period of 60 days. *See* Letter from Lance J.M. Steinhart, on behalf of Ganoco Acquisition Group, LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-9 (filed Jan. 5, 2010). A grant of this application will be without prejudice to any enforcement action by the Commission for non-compliance with the Communications Act of 1934, as amended, or the Commission's rules.

<sup>&</sup>lt;sup>2</sup> Associated Telecom Management Services, Inc. has filed a series of domestic section 214 applications involving the acquisition of several competitive LECs that provide service in Alabama, Arkansas, Florida, Georgia, Indiana, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, South Carolina, Tennessee, and Texas. DialTone &

percent of the equity interests of American Dial Tone, which became a wholly owned subsidiary of the company. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.<sup>3</sup>

Domestic Section 214 Application Filed for the Transfer of Control of Ganoco, Inc. d/b/a American Dial Tone to Ganoco Acquisition Group, LLC, WC Docket No. 10-9 (filed Dec. 21, 2009).

## **GENERAL INFORMATION**

The Wireline Competition Bureau finds, upon initial review, that the transfer of control identified herein is acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 C.F.R. § 63.03(a), interested parties may file comments **on or before February 10, 2010,** and reply comments **on or before February 17, 2010**. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31<sup>st</sup> day after the date of this notice.<sup>4</sup> Comments must be filed electronically using (1) the Commission's Electronic Comment Filing System (ECFS) or (2) the Federal Government's e-Rulemaking Portal. *See* 47 C.F.R. § 63.03(a) ("All comments on streamlined applications shall be filed electronically . . . ."); *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- Comments may be filed electronically using the Internet by accessing the ECFS, http://www.fcc.gov/cgb/ecfs/, or the Federal e-Rulemaking Portal, http://www.regulations.gov.
  Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.

More, Inc. Application for Approval of a Transfer of Control, WC Docket No. 10-6 (filed Dec. 21, 2009); Ren-Tel Communications, Inc. Application for Approval of a Transfer of Control, WC Docket No. 10-7 (filed Dec. 21, 2009); SC TxLink, LLC Application for Approval of a Transfer of Control, WC Docket No. 10-5 (filed Dec. 21, 2009); BLC Management LLC d/b/a Angles Communications Solutions Application for Approval of a Transfer of Control, WC Docket No. 10-8 (filed Dec. 21, 2009); Bellerud Communications, LLC Application for Approval of a Transfer of Control, WC Docket No. 10-11 (filed Dec. 21, 2009); Lifeconnex Telecom, LLC Application for Approval of a Transfer of Control, WC Docket No. 10 (filed Dec. 21, 2009); Triarch Marketing Application for Approval of a Transfer of Control (filed Dec. 21, 2009). Applicants state that the transactions do not involve any incumbent LEC services and that, in the states in which these entities have overlapping operations, there are multiple competitive alternatives.

<sup>&</sup>lt;sup>3</sup> 47 C.F.R. § 63.03(b)(2)(i).

<sup>&</sup>lt;sup>4</sup> Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

## In addition, e-mail one copy of each pleading to each of the following:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: (202) 488-5300; fax: (202) 488-5563;
- 2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, tracey.wilson-parker@fcc.gov;
- 3) Jodie.May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 4) David Krech, Policy Division, International Bureau, david.krech@fcc.gov; and
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: (202) 488-5300; fax: (202) 488-5563; e-mail: fcc@bcpiweb.com; url: www.bcpiweb.com.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

For further information, please contact Tracey Wilson-Parker at (202) 418-1394 or Jodie May at (202) 418-0913.